

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

1594 West North Temple Suite 1210 PO Box 145801 Salt Lake City, Utah 84114-5801 Telephone: (801) 538-5291

Fax: (801) 359-3940

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JAN 23 2004

DIV OF OIL GAS & MINING

ANNUAL REPORT OF MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MR-AR) with the Division.

I.	General Information					
	1.	Report Time Period: From (mo./yr.) <u>Jan / 2003</u> To (mo./yr.) <u>Dec / 2003</u>				
	2.	DOGM File Number (Mine No.): M / 023 / 003				
	3.	Mine Name: Topaz Mining Property				
	4.	Mineral(s) Mined: (or permitted to mine): Beryllium (bertrandite)				
	5.	Type of mine Surface Mine or Underground Mine				
	6.	Legal Description (Location of Lands Affected): "Please see enclosed description"				
		1/4,1/4,1/4, Section, Township, Range				
		1/4,1/4,1/4, Section, Township, Range				
		1/4,1/4,1/4, Section, Township, Range				
7.	Name	e of Operator or Company: Brush Resources Inc.				
	8.	Permanent Street Address: P.O. Box 815				
	City, State, Zip: Delta, Utah 84624					
		Phone: (435) 864-2701 Fax: (435) 864-4004				
	9. Company Representative (or designated operator): Name: Alex Boulton					
		Title: President				
	Business Address: P.O. Box 815					
		City, State, Zip: Delta, Utah 84624				
		Phone: (435) 864-2701 Fax: (435) 864-4004				
		Please check if any of the above information has changed since previous year.				
I.	Minin	ng and Reclamation				
	1.	Was the mine active during the past year? Yes ⊠ No □				
	2.	If no - what was the last year of activity?				
	3	If wes - how much are or mineral was mined? 37.738 west tone (delivered)				

4.	Briefly describe the type of work performed, volume of material moved, and any new or additional surface disturbances that occurred during the past year.				
	The mine was inactive during	g April, May, November & December			
		42K wet tons ore from Monitor #3			
5.	5. How much additional acreage was disturbed during the past year? None				
6.	How much acreage was reclaimed	during the past year? None			
7.	Briefly describe the reclamation work performed during the past year. This description should include methods employed, and an evaluation of the results.				
	Conducted inspection with D	OGM representative on June 19			
	see attached letter dated Jul	y 20, 2003			
8.	What is the total disturbed acreas	ge of entire project at year's end? 203 acres			
9.	Briefly summarize any mining and/or reclamation plans for the upcoming year.				
	1. Mine all remaining waste & ore from the Monitor open pit.				
	2. Ship ore to the mill from the existing stockpile inventories as needed.				
	3. Conduct annual site inspec	ction with the Division representative(s).			
	4. Continue monitoring Rainb	ow & Sigma Emma test plots.			
NOTE:	Section III., "Additional Information" applies only to large mining operations.				
III. <u>Addition</u>	nal Information - R647-4-121.2 and .	<u>3</u>			
1. The operator shall include an updated map depicting surface disturbance and reclamation performed during the year, prepared in accordance with R647-4-105					
2.		in timely records relating to his performance under the vailable to the Division upon request.			
IV. <u>Signatur</u>	e Requirement				
I hereby	certify that the foregoing is true a	nd correct.			
Naı	me (Typed or Print):	Alex Boulton			
Titl	le of Operator:	President 0			
Sig	nature of Operator:	1/22/04			
	Date:	1/22/04			
		′			

Brush Resources Inc.	Topaz Mining Properties	
Operator	Mine Name	
M/023/003	Juab	County, Utah

Permit Number

Legal Description (Location of Lands Affected) Refers to item 6. on page 1 of the Annual Report form

Township 13 South, Range 12 West, SLM

Section 4

The SW¼ of the SE¼, and the SE¼ of the SW¼.

> Section 5

Lot 1, and Lot 2, and the S½ of the NE¼, and the SE¼, and the E½ of the SW¼, and the SE¼ of the NW¼.

Section 7

The S½ of the NE¼, and the SE¼, and the E½ of the SW¼.

> Section 8

The NE¼, and W½ and the SE¼ of the SE¼, and the E½ of the SW¼.

> Section 9

The NE¼, and the SE¼, and the SW¼, and the NW¼.

Section 16

The NE1/4, and NW1/4.

➤ Section 17

The N½ of the NE¼.

Township 12 South, Range 12 West, SLM

➤ Section 32

The W½ and the SE¼ of the SE¼, and the E½ of the SW¼, and the SE¼ of the NW¼.



Michael O. Leavitt Governor Robert L. Morgan Executive Director Lowell P. Braxton 1594 West North Temple, Suite 1210 PO Box 145801 . Salt Lake City, Utah 84114-5801 (801) 538-5340 telephone (801) 359-3940 fax (801) 538-7223 TTY www.nr.utah.gov

June 20, 2003



TO:

Minerals File

FROM:

Tom Munson, Senior Reclamation Hydrologist 77

RE:

Site Inspection, Brush Resources, Inc., Topaz Mine, M/023/003, Juab County, Utah

Date of Inspection:

June 19, 2003

Time of Inspection:

8:30 a.m. - 10:00 a.m.

Conditions:

Sunny, windy

Participants:

Tom Munson, DOGM

Purpose of Inspection:

To review the revegetation on dump areas and determine the success of test plots during the drought.

Observations:

Ore Pile area adjacent to the Office

This area was covered with 12 inches of gravel mulch. The following observations were made regarding plants: Grasses – foxtail, crested wheatgrass (very limited amount); Shrubs – fourwing was the most prevalent, shadscale was also present but not very prevalent. Halogeten and cheatgrass were also growing on site. It was noted that there was still evidence of where the sheep's-foot had traveled, and therefore, it appeared to have some impact on some of the success of the revegetation. Being two years into this project and the material being very marginal, at best, I felt that there was some success in this drought especially.

The next area we examined was the top of the Blue Chalk Dump. It was seeded in 1997 and very successful. There was a very diverse community of grasses and shrubs. As the drought has moved forward, we are seeing almost a complete elimination of grass. Very sparse, if any, crested wheatgrass, and one or two indian ricegrass plants were observed. There was shadscale and mainly fourwing, which was by far was the most healthy plant and still doing fairly well on the site. Hopefully, with some rain, the grasses will come back. This area had previously been released.

The next areas visited were eight demonstration plots using gravel mulch, a map will be attached to this inspection report so they can be referenced.

Test plot #1 – six inches of untreated gravel. Found evidence of fourwing, saltbrush, penstemon, crested wheatgrass, ricegrass, yellow sweetclover, forage kochia and squirreltail.



Page 2 Site Inspection M/023/003 June 20, 2003

Test plot #2 – three inches of untreated gravel. Appeared to have one of the worst performances of any of the test plots. Penstemon, crested wheatgrass and several yellow sweetclover plants found at this site.

Test plot #3 – three inches of gravel treated with gypsum, super phosphate fertilizer on this plot. This had poor performance. It appeared the gravel itself was a finer texture, which seemed to inhibit growth. The plants observed were: penstemon, crested wheatgrass and fourwing. This plot was also a steeper grade, which may have been a factor.

Test plot #4 – six inches of gravel treated with gypsum and super phosphate. It was not doing very well. There was crested wheatgrass, penstemon, squirreltail, yellow sweetclover, and fourwing.

Test plot #5 – six inches of gravel treated with composted manure and gypsum super phosphate combined. That site had fourwing, crested wheatgrass, penstemon, one lone shadscale plant, mostly halogeten and cheatgrass.

Test plot #6 – three inches of gravel treated with composted manure and gypsum super phosphate. This site had robust fourwing, crested wheatgrass and a few penstemon.

Test plot #7 – six inches of gravel treated with composted manure. This plot has fourwing, crested wheatgrass, penstemon, shadscale, halogeten and cheatgrass.

Test plot #8 – three inches of gravel treated with composted manure. The shrubs were very robust which included fourwing. Grasses were crested wheatgrass and penstemon.

These test plots were established in 1999 in the Rainbow Dump overburden. It is a rhyolite dump and the gravel spread over rhyolite.

Conclusions and Recommendations:

The topography appeared to have an influence on the test plots. Since some of the test plots were steeper than others, it was hard to tell in some respects whether the topography was the biggest influence or the size of the gravel itself, which was varied in size and texture. It was apparent that the manure and gypsum super phosphate were beneficial. The three inches of gravel did as well as the six inches of gravel on the treated plots with manure and super phosphate and on the straight manure plots.

ATTACHMENT

Photographs M/023/003, Topaz Mine, Brush Resources, Inc. Inspection Dated: 6/19/2003; Report Dated: 6/20/2003

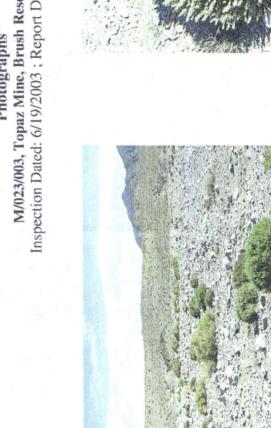


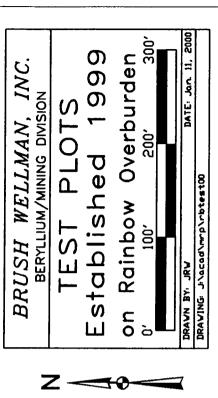
Photo 1 - Gravel Test Plot - No treatment

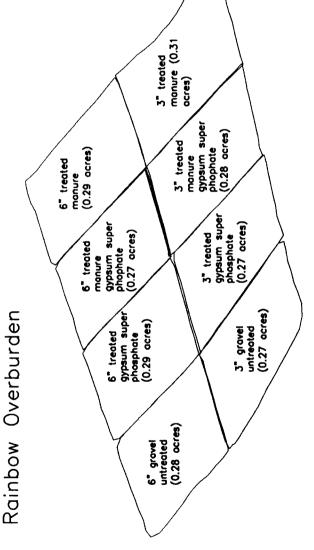


Photo 3 - shadscale and four wing



Photo 2 - Overview Testplots





The test plots are located in the E1/2, SE1/4, NE1/4, NW1/4, and in the W1/2, NW1/4, NE1/4 of Section 9, in T13S, R12W, SLM.

* m/023/003 m/023/053

BRUSHRESOURCES

A Brush Engineered Materials Inc. Company

Brush Resources Inc P.O. Box 815 Delta, UT 84624 Tel: 435-864-2701 Fax: 435-864-4004

January 22, 2004

Tom Monson Division of Oil, Gas, and Mining 1594 West North Temple Suite 1210 P.O. Box 145801 Salt Lake City, Utah 84116

Dear Tom:

Enclosed are two annual reports as follows:

- Topaz Mining Property (Mine No. M/023/003)
- Hogs Back Project (Mine No. M/023/053)

Please note that there was no reclamation work beyond monitoring and the inspection for the Topaz Mining Property. All reclamation efforts were focused on completing the Hogs Back Project final reclamation treatments. We are requesting release from surety on the earthwork as explained in the report.

Thanks for the help and guidance throughout the year. We look forward to inspection of the Hogs Back Property in the near future.

Sincerely,

John R. Wagner

Mine Supervisor

cc: Alex Boulton

Enclosures

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JAN 2 3 2004